



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

SB2443

Introduced 1/18/2006, by Sen. Todd Sieben

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/16-118  
40 ILCS 5/16-203

from Ch. 108 1/2, par. 16-118

Amends the Downstate Teacher Article of the Illinois Pension Code. Extends to June 30, 2011 (from June 30, 2006) the period during which an annuitant receiving a retirement annuity other than a disability retirement annuity may accept employment as a teacher from a school board or other employer without impairing retirement status for 120 paid days or 600 paid hours in each school year (after June 20, 2011, will return to 100 paid days or 500 paid hours in any school year). Includes language exempting the change from the new benefit increase requirements. Effective immediately.

LRB094 18617 AMC 53963 b

PENSION IMPACT  
NOTE ACT MAY  
APPLY

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by changing  
5 Sections 16-118 and 16-203 as follows:

6 (40 ILCS 5/16-118) (from Ch. 108 1/2, par. 16-118)

7 Sec. 16-118. Retirement. "Retirement": Entry upon a  
8 retirement annuity or receipt of a single-sum retirement  
9 benefit granted under this Article after termination of active  
10 service as a teacher.

11 (a) An annuitant receiving a retirement annuity other than  
12 a disability retirement annuity may accept employment as a  
13 teacher from a school board or other employer specified in  
14 Section 16-106 without impairing retirement status, if that  
15 employment: (1) is not within the school year during which  
16 service was terminated; and (2) does not exceed 100 paid days  
17 or 500 paid hours in any school year (during the period  
18 beginning July 1, 2001 through June 30, 2011 ~~2006~~, 120 paid  
19 days or 600 paid hours in each school year). Where such  
20 permitted employment is partly on a daily and partly on an  
21 hourly basis, a day shall be considered as 5 hours.

22 (b) Subsection (a) does not apply to an annuitant who  
23 returns to teaching under the program established in Section  
24 16-150.1, for the duration of his or her participation in that  
25 program.

26 (Source: P.A. 92-416, eff. 8-17-01; 93-320, eff. 7-23-03.)

27 (40 ILCS 5/16-203)

28 Sec. 16-203. Application and expiration of new benefit  
29 increases.

30 (a) As used in this Section, "new benefit increase" means  
31 an increase in the amount of any benefit provided under this

1 Article, or an expansion of the conditions of eligibility for  
2 any benefit under this Article, that results from an amendment  
3 to this Code that takes effect after June 1, 2005 (the  
4 effective date of Public Act 94-4) ~~this amendatory Act of the~~  
5 ~~94th General Assembly~~. "New benefit increase", however, does  
6 not include any benefit increase resulting from the changes  
7 made to this Article by this amendatory Act of the 94th General  
8 Assembly.

9 (b) Notwithstanding any other provision of this Code or any  
10 subsequent amendment to this Code, every new benefit increase  
11 is subject to this Section and shall be deemed to be granted  
12 only in conformance with and contingent upon compliance with  
13 the provisions of this Section.

14 (c) The Public Act enacting a new benefit increase must  
15 identify and provide for payment to the System of additional  
16 funding at least sufficient to fund the resulting annual  
17 increase in cost to the System as it accrues.

18 Every new benefit increase is contingent upon the General  
19 Assembly providing the additional funding required under this  
20 subsection. The Commission on Government Forecasting and  
21 Accountability shall analyze whether adequate additional  
22 funding has been provided for the new benefit increase and  
23 shall report its analysis to the Public Pension Division of the  
24 Department of Financial and Professional Regulation. A new  
25 benefit increase created by a Public Act that does not include  
26 the additional funding required under this subsection is null  
27 and void. If the Public Pension Division determines that the  
28 additional funding provided for a new benefit increase under  
29 this subsection is or has become inadequate, it may so certify  
30 to the Governor and the State Comptroller and, in the absence  
31 of corrective action by the General Assembly, the new benefit  
32 increase shall expire at the end of the fiscal year in which  
33 the certification is made.

34 (d) Every new benefit increase shall expire 5 years after  
35 its effective date or on such earlier date as may be specified  
36 in the language enacting the new benefit increase or provided

1 under subsection (c). This does not prevent the General  
2 Assembly from extending or re-creating a new benefit increase  
3 by law.

4 (e) Except as otherwise provided in the language creating  
5 the new benefit increase, a new benefit increase that expires  
6 under this Section continues to apply to persons who applied  
7 and qualified for the affected benefit while the new benefit  
8 increase was in effect and to the affected beneficiaries and  
9 alternate payees of such persons, but does not apply to any  
10 other person, including without limitation a person who  
11 continues in service after the expiration date and did not  
12 apply and qualify for the affected benefit while the new  
13 benefit increase was in effect.

14 (Source: P.A. 94-4, eff. 6-1-05.)

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.